

***April 2, 2009***

**Mr. SCOTT of Virginia:** Madam Chair, I rise in support of the Congressional Black Caucus substitute. The Congressional Black Caucus believes that the historic investments outlined in the President's budget and the Democratic budget are excellent blueprints to continue our road towards economic recovery and return to fiscal responsibility.

The base bill and the CBC alternative adopt the economic theories which were the basis for the 1993 budget which eliminated the deficit and produced surpluses sufficient to pay off the national debt held by the public by last year when we had the surpluses. It produced record jobs and more than tripled the Dow Jones Industrial Average. And we reject the economic theory that eliminated the surpluses, replaced them with record deficits, produced the worst job performance since the Great Depression, and the Dow lower after 8 years than it started.

The CBC is fully behind the committee budget, as far as it goes. However, the CBC budget builds upon that budget.

First, the CBC budget immediately repeals the remaining Bush tax cuts that primarily affect that portion of the family's income that exceeds \$250,000, rather than waiting for these tax cuts to expire at the end of 2010, as the committee budget does. Over the last 8 years, these tax cuts have cost the Federal Government trillions of dollars, while the promised benefits of trickle-down economics never materialized.

The CBC budget also immediately eliminates the phase out and repeal of what are called PEP and Pease, which deal with itemized deductions and personal exemptions.

These important tax provisions were part of the Omnibus Reconciliation Act of 1990, which was signed into law by the first President Bush.

Together, repealing these provisions of the 2001 and 2003 Bush tax cuts will have virtually no

effect on taxpayers with family incomes under \$250,000, and will yield an estimated \$42.2 billion in additional revenue in fiscal year 2010 alone.

In addition, the CBC budget also creates a Bush debt tax, which adds approximately one-half of 1 percent surtax on that portion of a family's income that exceeds \$1 million. The CBC proposes to use the proceeds of this surtax exclusively for deficit reduction. Over a 10-year period, the Joint Committee on Taxation estimates this surtax will raise about \$63 billion.

The CBC budget uses the additional revenue to increase our investments in our priorities for a more prosperous future for every American. Above the committee bill, the CBC budget provides an additional \$18 billion for health care; \$17 billion for education, job training, and social services; \$8 billion for transportation and infrastructure; an additional \$5.5 billion for administration of justice; \$5 billion for international affairs; \$4.7 billion for income security; and the CBC is particularly proud to add \$4.5 billion for veterans' benefits and services--more than enough to fund each of our VA hospitals by more than \$20 billion a year.

The CBC pays for all of these increases and still produces a 5-year budget deficit that is \$67 billion lower than the base bill and saves the American people \$7 billion in interest on the national debt.

The Congressional Black Caucus wants to reject the reckless budgets over the last 8 years and return to the fiscal responsibility of the 1990s, while creating jobs and addressing our national priorities.

I, therefore, urge my colleagues to support the amendment.